News-item captioned 'Pepsi froths at Coke entry'

3569. SHRI DIPEN GHOSH: Will the Minister of COMMERCE be pleased to refer to the news-item captioned 'Pepsi froths at Coke entry' which appeared in 'The Hindustan Times' of 29th January, 1989 stating the omission of profits by the Coca Cola company in their application which was reinforced by the Coca Cola official and state:

(a) the reasons for profits missing in the Noida application form under outflow in the Foreign Exchange Balance Sheet;

(b) whether the profit column is there in the Foreign Exchange Balance Sheet in the application forms of other Free Trade Zones;

(c) if so, the reasons for this discrepancy in the Coca Cola application form; and

(d) whether there is any restriction on how much of the profits a company can repatriate under the 100 per cent EOU rules?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) to (c) The application form generally adopted in Export Processing Zones has a specific column for indicating outgo on profits exclusively under the foreign exchange outflow. However, the application form that was earlier in use in the Noida Export Processing Zone included a generic column for indicating "and other outgo" under the foreign exchange outflow on the basis of details to be specified. Repatriation, if any, of profits, was therefore to be included against this column and there was, therefore, no discrepancy in regard to ascertaining the foreign exchange outgo. All outflow of foreign exchange is accounted for.

(d) There is no restriction on the repatriation of profits by a unit in the Export Processing Zone in relation to the foreign ownership. All such repatriation is reckoned against the foreign exchange outgo. However, units in the Zones are required to achieve specific levels of value addition taking into account the foreign exchange inflow and outflow.

Effect of import of polyester fibres on handloom workers and cotton growers

3570. PROF. C. LAKSHMANNA: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that import of polyester fibres is affecting both the handloom workers and cotton growers;

(b) if so, what steps are proposed to be taken to redress the hardships of the handloom workers and cotton growers; and

(c) what is the rationale for importing polyester fibres?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI RAFIQUE ALAM): (a) No, Sir.

(b) Does not arise.

(c) The import of polyester fibres, the quantity of which is insignificant, is to meet the requirements of the domestic consumer industry. The import is placed on the restricted list in the Import Policy for 1988—91.

Hike in Excise duty on automobiles

3571. PROF. C. LAKSHMANNA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the recent hike in the excise duty on fuel efficient automobiles below 1000 cc would adversely affect the price of Maruti cars;

(b) if yes, whether this will affect the working of the public sector undertakings; and

(c) what is the rationale in excluding the automobiles above 1000 cc from excise duty hike?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) to (c) In the Budget for

1989-90, excise duty at a uniform rate of 35 per cent has been fixed for all types of cars, vans and jeeps. Basic excise duty on fuel efficient motor vehicles of engine capacity not exceeding 1000 cc has been increased by 10 per cent and that on fuel efficient motor vehicles of engine capacity exceeding 1000 cc by 5 per cent. It is a fact that with this change in excise duty, the price of Maruti cars has increased. However, it is considered that fuel efficient cars have established themselves and there is no need to continue with the concessional rates which were available to them since 1983.

Hike in excise duty on two wheelers

3572. PROF. C. LAKSHMANNA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the recent hike in excise duty on two wheelers will adversely affect the middle class families in the country; and

(b) whether this will have heavy pressure on public transport systems in the metropolitan and other urban areas?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) and (b) As a revenue raising measure, the basic excise duty on certain types of two wheelers, depending on the engine capacity, was raised by five percentage points in the budget for 1989-90. The increase in prices of such two wheelers consequent to the duty increase cannot be considered to be so significant as to adversely affect the middle class sector, leading to greater pressure on the public transport systems.

Income-tax evasion charge against film actress

3573. SHRI SATYA PRAKASH MALAVIYA: Will the Minister of FINANCE be pleased to state:

(a) whether a fresh charge of income-tax evasion has been proved against film actress Rekha;

(b) if so, what are the details thereof and the action taken in the matter; and

(c) whether any diary was seized from her?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) and (b) Additions made on account of 'cash payments not declared in the returns of income' amounting to Rs. 41,000|- for the assessment year 1976-77 and Rs. 1,90,000|- for the assessment year 1976-77 and Rs. 1,90,000|- for the assessment year 1977-78, in the reassessments of income for the said assessment years, have since been confirmed by the first appellate authority, *vide* his order dated 23.12.1988.

(c) During the course of searches at the residential premises of Kum. Rekha Ganeshan and her secretary on 2-11-1982, two diaries were seized.

Pre-printed cheques stolen from the Regional Office of Unit Trust of India, Madras

3574. SHRI CHATURANAN MISHRA: Will the Minister of FINANCE be pleased to state:

(a) whether few pre-printed cheques awaiting cancellation were stolen from the Regional Office of the Unit Trust of India, Madras;

(b) if so, what are the details thereof;

(c) when the incident was discovered and whether any FIR|complaint was lodged in the matter;

(d) if so, what are the details thereof;

(e) what are the details of the persons to whom such cheques were sent;

(f) whether any investigation has been made; and

(g) if so, what are the details and result thereof;

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir.